



Retiree

Health Benefit Brochure

Supplement to 2005 Reference Guide
for Retirees

*Hawaii Employer-Union
Health Benefits Trust Fund*

Effective July 1, 2006

INTRODUCTION

This benefits brochure supplements the 2005 Reference Guide for Retirees. The brochure only includes changes, additions and deletions to current health benefit plans. In addition, it updates and/or re-emphasizes key procedures and instructions as to which each retiree and surviving spouse must comply. This brochure and the 2005 reference guide are available at the EUTF's website, www.eutf.hawaii.gov, where you can access them when you have questions about your benefits.

2006 OPEN ENROLLMENT

The 2006 Open Enrollment period is scheduled from April 17 through May 19, 2006. This brochure is being sent to all retirees and surviving spouses along with a pre-completed Open Enrollment Form for Retirees (OE-2) that contains information on file with the EUTF as of March 1, 2006. Changes that were not entered in the EUTF files prior to March 1, 2006 are not included on your pre-completed open enrollment form. The EUTF has scheduled several Open Enrollment informational sessions for your convenience. These sessions will be your opportunity to obtain more information regarding your health benefits. Representatives from all the EUTF health plans will be present to field your questions or concerns

Please review the information on your pre-completed open enrollment form for accuracy and make any changes that are needed. You may cross out any information that should be deleted and/or print legibly any new information. **If you have no changes, you are done with open enrollment. You will be reenrolled in the same plans and coverage that you currently have. Otherwise return the changed and signed open enrollment form by May 19, 2006.**

Since there are only minor changes to the retiree plans there are only a few Open Enrollment informational sessions scheduled for retirees (see below). If you cannot attend any of the retiree sessions, you may contact the EUTF directly or attend one of the active employee Open Enrollment sessions. Please check our website, www.eutf.hawaii.gov, or call the EUTF at (808) 586-7390 for the locations, dates and times of all the Open Enrollment sessions in your area.

OPEN ENROLLMENT LOCATIONS FOR RETIREES

OAHU

Leeward Community College
96-045 Ala Ike
Pearl City, HI 96782

State Capitol Auditorium
415 South Beretania Street
Honolulu, HI 96813

Kahala Community Center
4495 Pahoeha Avenue
Honolulu, HI 9616

Windward Community College
45-720 Keaahala Road
Kaneohe, HI 96744

HAWAII

Kona Armory
81-1032 Nani Kupuna Rd.
Kealahou, HI 96740

Aunt Sally Kaleohano's's Luau Hale
799 Piilani Street
Hilo, HI 96720

OPEN ENROLLMENT LOCATIONS FOR RETIREES

MAUI

Waikapu Community Center
22 E. Waiko Rd.
Wailuku, HI 96793

KAUAI

Kauai War Memorial Convention Center
4191 Hardy Street
Lihue, HI 96766

2006 OPEN ENROLLMENT SCHEDULE FOR RETIREES

<u>Date</u>	<u>Time</u>	<u>Location</u>
04/18/06	9:00 a.m.	Leeward Community College
04/18/06	1:00 p.m.	Leeward Community College
04/21/06	10:00 a.m.	Kona Armory
04/25/06	9:00 a.m.	Kahala Community Center
04/25/06	1:00 p.m.	Kahala Community Center
05/01/06	9:00 a.m.	Waikapu Community Center
05/05/06	9:00 a.m.	Windward Community College, Akoakoa Room
05/05/06	1:00 p.m.	Windward Community College, Akoakoa Room
05/08/06	9:00 a.m.	Kauai War Memorial Convention Center
05/10/06	9:00 a.m.	Aunt Sally Kaleohano's Luau Hale
05/10/06	1:00 p.m.	Aunt Sally Kaleohano's Luau Hale
05/10/06	9:00 a.m.	Capitol Auditorium
05/10/06	1:00 p.m.	Capitol Auditorium

What is this new Medicare Prescription Drug Plan (Medicare Part D)

WHAT IS MEDICARE PART D?

Beginning January 1, 2006, new Medicare prescription drug plans became available to people with Medicare. Many insurance companies and other private companies have been approved by Medicare to offer these drug plans. Medicare prescription drug plans provide insurance coverage for prescription drugs. Like other insurance, if you join, you will pay a monthly premium *and* pay a share of the cost of your prescriptions. Costs will vary depending on the drug plan you choose. You have the right to enroll in a Medicare Part D, prescription drug program.

If you currently have Medicare Part A (Hospital Insurance) and/or Medicare Part B (Medical Insurance), you can enroll in a Medicare prescription drug plan until May 15, 2006. If you enrolled prior to December 31, 2005, your Medicare prescription drug plan coverage began on January 1, 2006. If you enroll any month prior to May 15, 2006, your coverage will be effective the first day of the month after the month in which you join. In general, you may enroll or change plans once each year between November 15 and December 31.

WHAT DOES THIS MEAN TO ME?

In October 2005, the EUTF sent all retirees and their dependents eligible for Medicare a Notice of Creditable Coverage. This indicated that your current prescription drug coverage was equal to or better than the coverage provided by Medicare for prescription drugs. The notice also instructed each recipient to keep the notice in case you enroll in Medicare Part D in the future. The notice will ensure that the retiree is not penalized for enrolling at a later date. On the Medicare website, it is recommended that “if your employer . . . covers as much as or more than a Medicare prescription drug plan you can . . . keep your current drug plan.” Since the EUTF prescription drug coverage is better than or equal to Medicare Part D, you do not need to do anything else regarding Medicare Part D.

If you do choose to enroll in a Part D plan, your enrollment can affect you differently based on the medical plan in which you are currently enrolled. The difference is especially important to our Medicare-eligible participants who are enrolled in the Kaiser Senior Advantage plan. For Kaiser members on the Senior Advantage plan, your enrollment in Medicare Part D is automatic at no cost to you. If you enrolled in a Medicare Part D plan other than Kaiser, you will become ineligible to remain a member of the Kaiser Senior Advantage medical plan. You will either need to disenroll from the non-Kaiser (new) Part D plan so that you can remain on Kaiser Senior Advantage, or your medical plan will automatically be changed to HMSA.

Medicare requires that if you are enrolled in the Kaiser Senior Advantage medical plan, you must also be enrolled with Kaiser for the prescription drugs plan. If you desire to remain a Kaiser Senior Advantage member, you should not enroll in another Part D plan.

What do I have to do to ensure that my health benefits continue?

1. You should have received a pre-completed Open Enrollment form (OE-2) that shows the plans in which you are currently enrolled. Review this form to ensure that the plans noted are the plans you want for the upcoming plan year. If the form is incorrect or you want to change your plans or coverage, make the changes on the form, sign the form, and return it to the EUTF no later than May 19, 2006. Please ensure that any changes you make are legible.
2. If you have no changes, you are done with open enrollment. You do not need to sign or return the pre-completed Open Enrollment form. You will be re-enrolled in the same plans and coverage that you currently have.
3. As described below, if you are Medicare eligible (age 65 or under 65 and disabled), you may be required to enroll in Medicare Part B in order to be eligible for the EUTF retiree health benefit plans. If you are eligible and have yet to enroll with Medicare Part B, contact the EUTF immediately.

4. If you are Medicare eligible and want to continue enrollment with the Kaiser retiree plan, you also need to enroll with Medicare. You need to complete the Medicare Senior Advantage enrollment form that Kaiser will send for you to complete. Failure to do so may terminate your enrollment with Kaiser. Please contact Kaiser Permanente for assistance.

5. **FOR KAISER ENROLLEES ON THE MAINLAND.** If you are a retiree or surviving spouse living outside of Hawaii and choose to enroll with Kaiser, your enrollment with the EUTF only ensures that any employer contribution toward your health premiums is made. You still need to contact the nearest Kaiser Permanente plan and enroll with that plan. Your plan coverage and premiums may differ than the Kaiser plan in Hawaii. If the premiums exceed the premiums in Hawaii, you will be responsible for the difference. In addition, the benefits noted in any EUTF correspondences, brochures or guides do not reflect the benefits or the pricing that you will have with your local carrier.

Medicare Reminders

1. If you are Medicare eligible (age 65 or under age 65 and disabled), you must enroll in the Medicare Part B plan to be eligible for coverage under the EUTF retiree health benefit plans. Act 136, SLH 1999 established this requirement for all retirees and their spouses who became eligible for Medicare Part B after June 24, 1999.

2. If you were born prior to June 25, 1934, you were excluded from this requirement to enroll in Medicare Part B. However, if you did enroll and are paying your own premium for Medicare Part B, you are eligible to be reimbursed for your Medicare Part B premiums. Please provide proof of your enrollment in Medicare Part B by sending a copy of your Medicare card to the EUTF. If you are eligible for reimbursement for your premiums, **reimbursements will begin the first day of the month after the EUTF receives a copy of your Medicare card.**

3. Reimbursements are distributed each quarter in early January, April, July and October. If your Medicare card indicates a Medicare start date after the EUTF receives a copy of that card, your reimbursement will begin the first day of the month you are enrolled in Medicare. If the Medicare card indicates a start date before the EUTF receives a copy of that card, your reimbursement will not be retroactive and will begin the first day of the next month after EUTF receives a copy of your card

Plan Benefit Changes Effective July 1, 2006

The health benefit plan coverage for the period July 1, 2006 – June 30, 2007 will not change from the current plan year with the exception of the Kaiser Permanente medical plan and the Aetna life insurance plan. A summary of the Kaiser Permanent medical plan changes and the revised life insurance amounts are shown below. Please refer to the 2005 Reference Guide for Retirees or contact the insurance carriers to obtain an updated benefit brochure.

Long Term Care Insurance. The Long-Term Care plan, previously offered by Hartford Life Insurance, is no longer offered by the EUTF. However, those individuals that are currently covered under the plan will continue to be covered and will continue to be billed for the premium. Your coverage has not been cancelled. Your coverage will continue for as long as you pay your premiums. Be advised that the insurance company has the right to increase your

premiums after January 1, 2006. However, your premiums will be increased only if they are increased for all people covered by the plan.

MEDICAL AND PRESCRIPTION DRUGS PLAN

HMSA Medical and Prescription Drugs plan

Health benefits for all retirees remain the same. HMSA periodically reviews your health plans to ensure that these health plans provide you with quality health plan benefits in compliance with state and federal laws and are structured to best manage health care costs.

This document is for general information use only and is not for use as the certificate for the plan. The *Guide to Benefits* will contain complete information on these changes as well as, other benefits and applicable exclusions and limitations of your plan. In the case of a discrepancy between this summary and the language contained in the *Guide to Benefits* or plan certificate, the *Guide to Benefits* or plan certificate take precedence. You can find this Guide to Benefits at the HMSA website for EUTF at www.hmsa.com/portal/ and or you may access this website through the EUTF website, www.eutf.hawaii.gov by clicking on the "Links to Carrier" line. HMSA has created a special site for EUTF members.

The changes made were either administrative or language clarifications in nature and applies to the HMSA PPO, HMSA Dual and the HMSA Prescription Drugs plans, as appropriate. The most significant administrative changes dealt with precertification requirements for some services to reflect the current policies. For a complete listing of these changes, please contact your local HMSA officer or visit the HMSA website noted above.

KAISER PERMANENTE Non-Medicare Medical Plan for Retirees

This is only a summary of 2006 Kaiser Permanente plan changes which are effective July 1, 2006. It does not fully describe your benefit coverage. For details on your benefit coverage, exclusions, and plan terms, or to obtain a packet of benefit information, please log on to my.kaiserpermanente.org/hi/eutf or contact the Customer Service Center at (808) 432-5955 (Oahu) or 1-800-966-5955 (Neighbor Islands).

Summary of 2006 Important Changes

Benefit and contract changes:
1. Office visit copayment. Increase from \$12 to \$14 per visit.
2. Inpatient/Outpatient lab, imaging, and testing. Currently no charge, changed to a 10% copay for these services.
3. Preventive screening services. Certain preventive screening services will not be subject to the 10% copay, and instead be covered at no charge. Office visit copay will be charged if applicable. The list of services that fall under the preventive screening benefit is in the Service Agreement.

<p>4. Physical, occupational, and speech therapy. There will no longer be a two-month limit on these therapies. However, keep in mind that only short term therapy is covered. As determined by a Kaiser Permanente physician, the therapy must be necessary to sufficiently restore neurological and/or musculoskeletal function that was lost or impaired due to an illness or injury.</p>
<p>5. Serious mental illness parity. The serious mental illness (parity) benefit has been expanded to include obsessive compulsive disorder, dissociative disorder, delusional disorder, and major depression.</p>
<p>6. Live or work. Subscribers must live or work in the Hawaii service area to be enrolled in a Kaiser Permanente plan. Family dependents must live in the Hawaii service area to enroll (or continue to be enrolled) in a Kaiser Permanente plan.</p>
<p>Benefit and contract clarifications:</p>
<p>1. Office visits. An office visit is defined as evaluation and management services, which may include some or all of the following: examination, history, and/or medical decision making. Office visits do not include, for example, outpatient procedures. Outpatient procedures would be covered per the member's outpatient procedures benefit.</p>
<p>2. Physical, occupational, and speech therapy. Physical, occupational, and speech therapy deficits due to developmental delay are not covered.</p>
<p>3. Family dependent child. The definition of "child" for purposes of enrolling as a family dependent is defined in the EUTF Administrative Rules.</p>

For details on your benefit coverage, exclusions, and plan terms, please refer to EUTF's applicable Face Sheet, Group Medical and Hospital Service Agreement, Benefit Schedule, and Riders (collectively known as "Service Agreement"). The Service Agreement is the legal binding document between Health Plan and its members. Except for certain situations outlined in the Service Agreement, all claims, disputes, or causes of action arising out of or related to the Service Agreement, its performance or alleged breach, or the relationship or conduct of the parties, must be resolved by binding arbitration. For claims, disputes, or causes of action subject to binding arbitration, all parties give up the right to jury or court trial. For a complete description of arbitration information, please see the Service Agreement.

<p>NOTE: General reminder for all members:</p>
<p>Unless explicitly described in a particular benefit section, each medical service or item is covered according to its relevant benefit section. For example, labs or blood related to a hospital stay are not covered under the hospital benefit. Labs related to a hospital stay are covered under the lab benefit. Blood received during a hospital stay is covered under the blood benefit.</p>
<p>Kaiser Permanente's web services now allow you to make appointments, order prescription refills, and more. For more information log on to my.kaiserpermanente.org/hi/eutf or contact the Customer Service Center at (808) 432-5955 (Oahu) or 1-800-966-5955 (Neighbor Islands).</p>

KAISER PERMANENTE SENIOR ADVANTAGE Medical Plan for Retirees (Medicare)

This is only a summary of 2006 Kaiser Permanente plan changes which are effective July 1, 2006 and is an addendum to the 2005 Reference Guide for Retirees. It does not fully describe your benefit coverage. For details on your benefit coverage, exclusions, and plan terms, or to obtain a packet of benefit information, please log on to my.kaiserpermanente.org/hi/eutf or contact the Customer Service Center at (808) 432-5955 (Oahu) or 1-800-966-5955 (Neighbor Islands).

Summary of 2006 Important Changes

Benefit and contract changes:

- 1. Office visit copayment.** Increased from \$12 to \$14 per visit.
- 2. Prescription Drugs.** The Medicare Part D prescription drugs plan specifies the types of prescription drugs to be included in the formulary. In some cases, costs for some brand-name drugs now require a \$40 copayment. As a result of Medicare Part D, contraceptives, home infusion drugs and drug coverage in a long term care facility are now part of our formulary.
- 3. Physical, occupational, and speech therapy.** There will no longer be a 2 month limit on these therapies. However, keep in mind that only short term therapy is covered. As determined by a Kaiser Permanente physician, the therapy must be necessary to sufficiently restore neurological and/or musculoskeletal function that was lost or impaired due to an illness or injury.
- 4. Serious mental illness parity.** The serious mental illness (parity) benefit has been expanded to include obsessive compulsive disorder, dissociative disorder, delusional disorder, and major depression.
- 5. Where you live.** Subscribers must live in the Hawaii service area to be enrolled in the Hawaii Kaiser Permanente plan. Except for students, family dependents must live in the Hawaii service area to be enrolled in the Hawaii Kaiser Permanente plan. Retirees or survivors of retirees living on the U.S. mainland must enroll in the local Kaiser Permanente plan in their area.

Benefit and contract clarifications:

- 1. Office visits.** An office visit is defined as evaluation and management services, which may include some or all of the following: examination, history, and/or medical decision making. Office visits do not include, for example, outpatient procedures. Outpatient procedures would be covered per the member's outpatient procedures benefit.
- 2. Physical, occupational, and speech therapy.** Physical, occupational, and speech therapy deficits due to developmental delay are not covered.
- 3. Family dependent child.** The definition of "child" for purposes of enrolling as a family dependent is defined in the EUTF Administrative Rules.
- 4. Student coverage up to age 24.** Unmarried dependent children who are full-time students and have the same legal address as the subscriber are covered up to their 24th birthday.
- 5. Enrollment in the Senior Advantage plan.** All Kaiser Permanente subscribers are required to submit an enrollment form upon attaining age 65 to continue to be enrolled with Kaiser Permanente. Kaiser will provide you with an enrollment form that is in addition to the EUTF's EC-2 enrollment form. This enrollment is required by Medicare and must be submitted to Kaiser Permanente on a timely basis. Failure to do so can result in the termination of your enrollment with Kaiser Permanente.

All care and services must be coordinated by a Kaiser Permanente physician.

For more information about this plan, please call the Customer Service Center at 432-5955 (Oahu) or 1-800-966-5955 (Neighbor Islands) or TTY/TDD 1-877-447-5990. We are open from 8:00 am - 5:00 pm, Monday through Friday, (except holidays) and Saturday from 8:00 am - noon.

Drug formulary: Kaiser Permanente periodically adds or removes drugs from the formulary (the list of drugs dispensed by Kaiser Permanente). Under certain circumstances, selected drugs may also be moved from one benefit category to another (for example, the drug may not be covered as a self-administered prescription or it may be covered as a medical supply). Non-formulary drugs are generally excluded from coverage. If you wish to request an exception to the drug formulary limitations, please notify your Medical Group Physician, Kaiser Permanente Pharmacist, or our Customer Service Center at the phone number listed above.

For further information on benefits, exclusions and limitations, please refer to the Senior Advantage Evidence of Coverage, Senior Advantage Summary of Benefits, Senior Advantage Benefits Schedule, and Group Medical and Hospital Service Agreement.

DENTAL

HDS Dental Plan - Your HDS benefits remain the same. The EUTF Reference Guide for Retirees published in 2005 did not indicate the correct age limitation for stannous fluoride. The correct age limitation is 19.

HDS recently launched a phone service, as another resource, called HDS DenTel. You may call HDS DenTel to find out when you are eligible for your next dental visit, obtain claims information, or even have a summary of your plan benefits faxed or mailed to you, simply by following the prompts on the phone. The number is (808) 529-9333, or toll free from the Neighbor Islands and the Continental U.S. at 1-800-232-2533, ext. 333.

The HDS Customer Service Department is also available at (808) 529-9248, or toll-free from the Neighbor Islands and the Continental U.S. at 1-800-232-2533, ext. 248

For a full description of your dental benefits and how to access them, refer to the EUTF website, www.eutf.hawaii.gov. You may also obtain information from the HDS website, www.deltadentalhi.org. Certain limitations, restrictions and exclusions may apply to the plan. In the case of a discrepancy the HDS Schedule of Benefits will govern.

VISION

VSP Vision Plan – No benefit changes

LIFE INSURANCE

Effective July 1, 2006, the life insurance amount for retirees will increase to \$2,372. Your life insurance is again provided at no cost to the retiree.

Premium Rates for Plans Effective July 1, 2006

Carrier	Type of Plan	Coverage	Monthly Premiums
HMSA	Non-Medicare Medical	Single	\$315.42
		Family	\$882.28
HMSA	Medicare Medical	Single	\$201.08
		Family	\$657.96
Kaiser	Non-Medicare Medical	Single	\$348.20
		Family	\$1,044.56
Kaiser	Medicare Medical	Single	\$164.40
		Family	\$493.12
HDS	Dental	Single	\$29.20
		Family	\$58.56
VSP	Vision	Single	\$4.68
		Family	\$10.06
AETNA	Life Insurance	Retiree only	\$4.16

The rates shown are the cost to your employer if you are eligible for 100% contribution and only for Hawaii-based plans. Retirees enrolled in the HMSA plan are enrolled in the Hawaii-based plan. Premiums for retirees enrolled in the Kaiser plan outside of Hawaii will depend on the premiums for the Kaiser plans in their local area. Contributions for retiree premiums are based on the rates above. If your premiums are higher, you are responsible for the difference.

To Contact the EUTF:

Mailing Address: P.O. Box 2121, Honolulu HI 96805

Location Address: 201 Merchant Street, #1520, City Financial Tower, Honolulu, Hawaii

Telephone Numbers

Local number: 808-586-7390

Toll-Free number: 800-295-0089

Fax number: 808-586-2161

Email address: eutf@hawaii.gov

Website address: www.eutf.hawaii.gov